

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office
Rough Draft

Appropriations Committee
February 11, 2008

[AGENCY5]

SENATOR HEIDEMANN: I think we're going to go ahead and get started. I think I'll start today by introducing everybody. Over to the right is our committee clerk, Senator...Senator, Kendra Papenhausen (laugh) moved you up a little bit. And we have Senator Nantkes from Lincoln, District 46; Senator Wightman from Lexington, District 36; Senator John Synowiecki from Omaha, District 7; joining us later will be Senator Lowen Kruse from Omaha, District 13, who also serves as Vice Chair of this committee. My name is Senator Lavon Heidemann from Elk Creek and I serve District 1. I'm the Chair of this committee. Then we have Senator Pat Engel from South Sioux City, District 17; then Senator Tony Fulton from Lincoln, District 29; Senator John Nelson from Omaha, District 6; and Senator John Harms from Scottsbluff, District 48. The page for the day, his name is Sam. If you need anything, he's always more than helpful to help you out. At this time we ask if you have cell phones if you please shut them off, not to be disruptive later on. Testifier sheets are on the table near the back doors. We ask that you please fill them out completely and put them in the box on the table when you testify. You do not need to fill out this form if you are not publicly testifying. At the beginning of the testimony, we ask that you please state and spell your name. Nontestifier sheets near the back doors if you do not want to testify but would like to record your support or opposition, only fill out if you will not be publicly testifying. If you have printed material to distribute, please give them to Sam at the beginning of the testimony. We will need at least 12 copies. We ask also that you please keep your testimony concise and on topic and under five minutes would be appreciated. With that, we'll start the public hearing on our first agency, Agency 5, the Supreme Court. []

MIKE HEAVICAN: Mr. Chairman, Senators, my name is Mike Heavican. I'm the Chief Justice of the Nebraska Supreme Court. Heavican is spelled H-e-a-v-i-c-a-n. Mostly I want to thank you today for your, at least your preliminary support in regard to our deficit appropriation request. First of all, in regard to interpreters, you've heard me talk about those in a number of situations. That is a continuing item that costs the courts great

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money. It's necessary and we have to do it so we appreciate at least your preliminary support there. We also appreciate your support for bringing the Douglas County District Court and Separate Juvenile Court systems on-line onto the JUSTICE system. This is the computer system that the rest of the court system is on in the State of Nebraska, including the county court in Douglas County which is already on the system. This is a big step forward to us and it means a lot in efficiency, not only for the court system, but also for a lot of state agencies and local agencies bringing a lot of data together. So we appreciate that. We appreciate the amount of money that you have put in or at least preliminarily supported for the media enhancement project. That would mean that we could broadcast from the Supreme Court much like you do for your legislative hearings. We also appreciate your support for the increase in the personal service limitation in regard to the specialized courts for Nebraska. Essentially what we're doing there is converting from contract to employment for drug court employees, at least some drug court employees. We appreciate your support for moving to the new e-mail system. And finally, we appreciate your support for our increase in health insurance costs. And then we've got one more request for you, and we've got a young lady here named Patricia Langer and she's going to talk to you about the raise calculation error which was made at the beginning of the budget for last year which means we would compound an error over years and years and years. So, Patricia, would you come forward, please, and please give these folks the details of that error. [AGENCY5]

PATRICIA LANGER: Good afternoon. As Chief Justice stated, my name is Patricia Langer, L-a-n-g-e-r, and I am the administrative fiscal analyst for the Supreme Court. In 2007 legislative session, the Legislature and the Governor approved and funded a 4.75 percent wage increase for the current year and then a 2.5 percent increase for next year. Unfortunately, an error was made when calculating the cost of this raise for Program 52 Court Operations, which is the largest single program for the Supreme Court. I was not the fiscal analyst at the time of the biennial request. I don't really want to speculate on how it happened or why it wasn't caught. My mission is to explain to you the importance of getting that error corrected. As the name Court Operations suggests,

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Program 52 provides funding for the operational support of the state court system with a current General Fund appropriation of slightly over \$26 million. I'm sure you're wondering what the significance of \$86,000 could be. Actually, it's \$80,789 in the first year. However, with 90 percent of that \$26 million being spent on employees and an additional 4 percent of that being spent on interpreters, that leaves approximately \$1.6 million for the operations of the entire state court system. Eighty percent of that...\$80,000 will chew up an additional 5 percent of those dollars that are available for operations of the state court system. That \$1.586 million has to cover the operational, travel, and capital expenditures for the Supreme Court justices, the clerk's office, the reporter's office, the staff attorney's office, our child support referee, our statutory publications, the Judicial Nominating and Qualifications Commission, the Office of Dispute Resolution, the legal research unit, the State Law Library, the entire county court system, the district court reporters, and the Court of Appeals. So while \$80,000 does not seem like much when you're looking at \$26 million, it is a lot when you're looking at the \$1.5 million that remains to cover all of those costs. One final point that I want to make before I take any questions you might have is my concern over the compounding effect that this error will have as we progress through the years. If, you know, just to speculate maybe a 3 percent wage increase each year, over four years that \$80,000 error will increase by \$10,000 each four years. So that will have a compounding effect on the dollars that the court has available for operations. While I sincerely hope that you'll consider funding both the General Fund dollars that we need as well as the PSL, I would at least request that you consider what the Governor proposed and increase at least the PSL so that we'll be able to continue to maintain your intended level of wage increase for our employees going forward. I do want to stress, however, that increasing the PSL alone will not help us with this continued loss in operations expenditures that we would have that will compound every time our employees are awarded a raise. So I'd like to thank you for your time. And if you have any questions, I'd be happy to answer them. [AGENCY5]

SENATOR HEIDEMANN: Are there any questions? Seeing none, thanks for coming in

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today. [AGENCY5]

ROBERT HILLIS: Senator Heidemann and members of the Appropriations Committee, I am Robert Hillis, H-i-l-l-i-s. I'm the president-elect of the Nebraska State Bar Association. And I'm here on behalf of the Bar Association to urge your continued support for the court interpreter services within the Supreme Court's deficit request. It is the public policy of this state that the courts must protect the rights of all individuals unable to fully understand the English language. Unfortunately, the Supreme Court never seems to have the money available to meet this need, and it's making it difficult for them to keep up with the continued demand. The NSBA during the past year ran its judicial structure and administration task force and spent ten months studying the Nebraska court system and issued its final report in October of 2007. All the recommendations made in the report were meant to make the court system more efficient while at the same time ensuring that the courts remained accessible, fair, and accountable. One of those recommendations was access to interpreters. Access to interpreters directly impacts a judge's ability to effectively process cases while at the same time making courts accessible, fair and accountable to the public. Thank you and I'd be happy to answer any questions that I can if you have any. [AGENCY5]

SENATOR HEIDEMANN: Are there any questions? Seeing none, thanks for coming in today, Robert. Is there anyone else wishing to testify on Agency 5, the Supreme Court? Seeing none, we will close the public hearing on Agency 5 and open up the public hearing on Agency 11, the Attorney General. [AGENCY5]